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6 September 1962

MEMORANDUM FOR : Deputy Director (Research)

SUBJECT : Comments

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1. I believe the following comments are in order on the subject paper which was given to me by Dr. Scoville late last week.

a. The 23 July 1962 paper from Dr. Charyk entitled "Organization and Functions of the NRO" established in Paragraph 2 a. the premise that NRO is to be "established as an operating agency". From a purely technical point of view, I am uncertain as to the origin of the provision for NRO to be an operating agency. I do assume, however, that since we have not commented on the wisdom of this move that we are concurring by our silence.

b. In Paragraph 2 of Dr. Scoville's subject paper, the suggestion is made that "DD/R be designated as senior CIA representative reporting directly to DNRO". I am basically in agreement with anything that elevates the stature of the DD/R in the NRO organization, but I still feel that the proper spot for the DD/R is as Deputy Director of NRO. If it is not desired to make a frontal attack on this problem, however, we would agree with the proposal to establish AD/OSA as the Director of Program B.

c. In Paragraph 5 a. DD/R has suggested the word "that" be inserted before "NRP satellite effort". I would suggest enlarging this to read "that portion of the" before the words "NRP satellite effort".

NRO review(s) completed.

d. With regard to Paragraph 5 c. of the subject paper, we agree with DD/R but feel here that this paragraph might well be amplified for the benefit of all concerned in an effort to define what role the DCI and DD/R will play from a command sense over the Program Directors, since the technical management responsibility for all of the NRP has been assigned to the DNRO by the McCone/Gilpatric agreement.

e. According to the original McCone/Gilpatric agreement, the Agency was designated as "the executive agent for DNRO for those covert projects already under its management and such additional covert projects as are assigned to it by the Secretary of Defense and the DCI". Taken literally we have interpreted this to mean that the Agency will control IDEALIST, OXCART, CORONA, and ARGON. We have apparently departed from the original terms of the agreement to the extent that we do not disagree with that portion of the 23 July 1962 Charyk paper which assigns basic operations and communications to the NRO staff (Paragraph 2 j. (2)). It may be too late to quarrel with this decision, but by not commenting contrarily in the subject paper we will have finally abrogated the last vestige of control for the CORONA, ARGON, and LAYNARD efforts.

f. If we agree with DD/R's comment in Paragraph 5 c. of the subject paper wherein the statement is made that "the DCI and the DD/R must have a direct command responsibility over the programs assigned to CIA", then I question whether we can let this stand without commenting on Paragraph 8 of the 23 July paper which states "prior specific approval of the DNRO will be required for any matter of the NRO or NRP to be processed to higher authority". I personally feel that this ties Mr. McCone's hands to a degree inconsistent with his role not only in the community, but more particularly as senior action official on programs of primary concern to this Agency. At a minimum I would suggest substituting the word "coordinate" for the word "approval" in the paragraph in question.

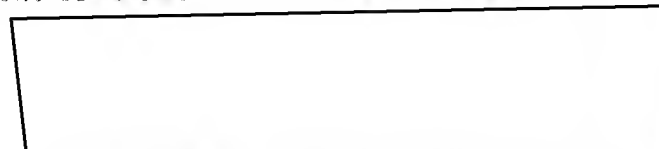
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2. With the balance of the DD/R's paper we have no difference. However, at some point I think it would be useful for the DD/R to obtain a reading from the DCI concerning the Agency's desires and intent for downstream planning and inclusion in the satellite and aircraft reconnaissance program. ILLEGIB



JAMES A. CUNNINGHAM, JR.  
Deputy Assistant Director  
(Special Activities)

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DAD/OSA:JAC, Jr. /mm

29 August 1962

MEMORANDUM FOR: Director, National Reconnaissance Office

SUBJECT : Comments on Organization and Functions of NRO

REFERENCE : Memorandum for NRO Program Directors, Director, NRO Staff, from DNRO, subject Organization and Functions of the NRO, dated 23 July 1962 [redacted]

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1. In general I concur with the referenced paper on the organization and functions of the NRO and think it is a good and useful basis for initial NRO operations. It is probable that over a period of time some changes will occur, particularly in the staffing pattern which must be responsive to the particular current requirements. In this connection I have a feeling that the Office of the Assistant for Plans and Policy is unduly small since I believe that the most important function of the NRO will be in the planning, programming and evaluation fields. On the other hand, the Office of the Deputy for Operations may be somewhat large unless more activities are transferred from the West Coast than presently are believed will be possible.

2. In connection with the CIA participation in the NRO, I should like to suggest that the DD/R's position be designated as Senior CIA Representative reporting directly to DNRO rather than as Director of Program B since this would give him the responsibility as the DCI's representative with responsibilities across the entire NRO. The Assistant Director of Special Activities, CIA, who within the Agency has direction of Agency reconnaissance activities under the DD/R, should be designated as Director of Program B.

3. In view of the fact that the Agency is a legally separate entity budget-wise from the Defense Department, I believe that the NRO budgetary procedures insofar as they apply to CIA should be spelled out in more detail than currently is the case in paragraph 2 i. on page 4. A proposed operating procedure is attached as Tab A.

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4. On page 5 in paragraph 3 b. the Program Directors are asked to submit detailed organizational diagrams and listings of personnel working on NRO matters. From an Agency point of view I believe that it would be desirable to limit these submissions to organization charts with names of the key personnel. Further designations probably would be undesirable from a security point of view and perhaps not even feasible to prepare.

5. The following detailed changes are suggested to improve the clarity of the existing document and to bring it in line with the above comments:

(a) Page 2, paragraph c: To assure clarity, the word "that" should be inserted before "NRP satellite effort" in line 5.

(b) Page 3, subparagraph (5): This should read, "The activities and office of the Director, Program B, are covered by his overt duty in the Office of the Deputy Director (Research), CIA."

(c) Page 3, paragraph f: Suggest deletion of "and solely" since the DCI and the DD/R must have a direct command responsibility over the programs assigned to CIA.

(d) Page 3, paragraph g: It is not clear what is meant by suitable documentation. It is hoped that paper work for the NRO will be kept to an absolute minimum and that the present streamlined procedures of inter-Agency support presently in practice will continue. It is also believed that "NRO" in the third line should read "NRP".

(e) Page 3, paragraph h: This paragraph is obviously for use internally in DOD since the quoted portion would not be used in CIA.

(f) Page 4, paragraph i: CIA letting of covert NRP contracts for programs not under its over-all management should be restricted to cases where such a procedure is essential to maintain security. Widespread use of CIA contracting is liable to bring the entire system into question by the Bureau of the Budget and Congress.

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(g) Page 4, paragraph j (1): I believe that the assignment of operational control to appropriate Program Directors must finally rest with the Secretary of Defense and the DCI. Wording here, therefore, should more appropriately be "will recommend the assignment".

(h) Page 6, subparagraph (7): Should not this sentence begin "Conduct studies of the over-all NRP to assist the DNRO in determining the most reasonable combination..."

Signed Herbert S. Scoville, JR.

HERBERT SCOVILLE, JR.  
Deputy Director  
(Research)

Attachment: (1)

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ODDR:hs/jlp (29 August 1962)

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**BUDGETARY PROCEDURES FOR CIA PORTION  
OF NRP**

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The over-all NRP will be prepared based on proposals from the various Program Directors, i. e., CIA, AF, etc. These will be reviewed by Drs. Charyk and Scoville and incorporated into the NRO proposed program. In the preparation of this program, recommendations will be made for the assignment of executive management responsibilities to CIA for certain portions of the program. This program will be presented by Dr. Charyk to the DCI and the Secretary of Defense, at which point it will then become the official program.

DNRO will present and defend this program to the Bureau of the Budget indicating which portions will be the responsibility of CIA. CIA will place in its annual budget funds necessary to carry out its portions of the program. In the presentation to Congress CIA will defend its program before its committees with an indication that they are approved parts of the over-all NRP.

After Congress has approved the CIA programs including those for NRO and provided the funds, the Agency will look to the Bureau of the Budget to apportion those funds in the normal manner. The funds contained in the CIA Budget for NRO activity will be expended under the direction of the DD/R in accordance with approved programs and NRO will be kept advised by Dr. Scoville as appropriate.

In cases where budgeted amounts are not sufficient to meet the program aims of NRO, e. g. where policy or program shifts have taken place which required alterations in scope, etc., the Agency would look to NRO to provide the flexibility or, as appropriate, take steps with the Bureau of the Budget and/or Congress to acquire supplemental funds. Where NRO either supplements Agency funds or uses the Agency as an executive agent for contracting purposes under the NRO agreement, DNRO will advance funds in the same manner employed in the past.

29 August 1962

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